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OCEAN ROUTES IN UNITED STATES FOREIGN TRADE

BY

A. LANE CRICHER

Secretary, Subcommittee of the Interdepartmental Ocean Mail Contracts Committee

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FOREWORD

For the purpose of administering the merchant marine act of 1928 with the utmost efficiency, the President formed an advisory committee early in 1929. This committee is composed of three Cabinet members, together with the chairman of the Shipping Board, and represents all branches of the Government concerned. Its function is to deal with problems arising out of the merchant marine act of 1928 in relation to ocean mail contracts. The Secretary of Commerce, Robert P. Lamont, is chairman, and the other members are: The Secretary of the Navy, C. F. Adams; the Postmaster General, Walter F. Brown; and the chairman of the Shipping Board, T. V. O'Connor.

This committee, in turn, appointed a subcommittee which selected W. Irving Glover, Second Assistant Postmaster General, as chairman, and A. Lane Cricher, Chief of the Transportation Division of the Department of Commerce, as secretary. The other two members selected were Rear Admiral M. M. Taylor, of the Navy Department, and J. C. Jenkins, vice president of the Merchant Fleet Corporation, United States Shipping Board.

Among the tasks assigned to the subcommittee was that of making a survey of our ocean trade routes to and from foreign countries. This task was accomplished after intensive research, and the results thereof are being published herein.

WILLIAM L. COOPER, *Director,*
Bureau of Foreign and Domestic Commerce.

MARCH, 1930.

OCEAN ROUTES IN UNITED STATES FOREIGN TRADE

INTRODUCTION

As a result of the World War the United States came into possession of more merchant ships than the country ever had owned before. These ships were acquired largely through the construction of new vessels, but partly through the purchase of American and foreign ships and through the seizure of interned enemy vessels. So great was the expansion that the fleet of seagoing steamers increased from 2,000,000 gross tons in 1914 to 13,500,000 tons in 1921. Not all of this additional tonnage was of economical design suitable for commercial use. The stress of war had led to the building of many wooden, concrete, and other ships suitable only for the carrying of military supplies, without particular regard to cost. Nevertheless, much of the new tonnage built was economically workable, even though not designed especially for particular trade routes. It remained, therefore, for the Government to dispose of or make use of this tonnage.

LEGISLATION FOR DEVELOPMENT OF AMERICAN SHIPPING

MERCHANT MARINE ACT OF 1920

After the war, with the peace-time development of our merchant marine in mind, the Government passed the merchant marine act of 1920, the preamble of which expressed clearly the broad policy laid down, viz:

> An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes
>
> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That it is necessary for the national defense and for the proper growth of its foreign and domestic commerce that the United States shall have a merchant marine of the best equipped and most suitable types of vessels sufficient to carry the greater portion of its commerce and * * * ultimately to be owned and operated privately by citizens of the United States; and it is hereby declared to be the policy of the United States to do whatever may be necessary to develop and encourage the maintenance of such a merchant marine, * * *.

Among the more important specific mandates of this act were those which provided for the determination of ocean services to be established under the American flag; the selling and chartering of vessels to American citizens for the maintenance of such services, or the operation of vessels in such services until they could be sold to American citizens on satisfactory terms; and the setting aside of money out of revenues until a sum not in excess of $125,000,000 was accumulated, this sum [1] being used as a construction loan fund from which American citizens might obtain loans to aid them in the construction of vessels for the establishment or maintenance of ocean services.

In the administration of the merchant marine act of 1920 the Government sold ships totaling 5,374,000 gross tons (4,030,000

[1] Increased to $250,000,000 by legislation in 1928.

tons for operation and 1,344,000 tons for dismantling), but still had remaining 4,147,000 tons. It also granted loans for construction purposes to the extent of approximately $19,000,000.

MERCHANT MARINE ACT OF 1928

With the object of providing further for the permanency of the American merchant marine, stimulating the building of modern tonnage for additions and replacements, and accelerating the sale of the remaining ships to private American citizens, the merchant marine act of 1928 was passed. This act confirmed the broad policy laid down in the merchant marine act of 1920, but increased the amount that might be credited to the construction loan fund to $250,000,000 and provided a comprehensive schedule of higher rates for carrying of ocean mails by American ships.

Thus far in the administration of the merchant marine act of 1928 the Government has sold ships totaling 1,285,000 gross tons (844,000 tons for operation and 441,000 tons for dismantling), but still owns about 2,900,000 gross tons, of which approximately 1,350,000 tons are in operation and 1,550,000 tons are laid up—"idle tonnage." The Government also has granted loans for construction purposes to the extent of $55,095,000, and under the terms of 37 ocean mail contracts let or pending it is providing for the addition of at least 600,000 gross tons of new shipping as well as for the improvement of many vessels now in service, all within the 10-year term of the contracts.[2]

In this connection it should be borne in mind that the leading maritime countries, especially in Europe, have been industriously at work since the war modernizing their fleets. They have built many motor ships and other vessels of improved designs for the purpose of increasing the efficiency and economy of their fleets. If the United States is to gain its fair share of world commerce, it also must build up-to-date tonnage to meet the demands of progress.

OCEAN TRADE ROUTES

The subcommittee of the Interdepartmental Committee on Ocean Mail Contracts was assigned the task of making a survey of our ocean trade routes to and from foreign countries. For this purpose, the term "ocean trade routes" denotes the movement of commerce between broad geographic areas; i. e., between our four coastal districts and several foreign regions, the latter being decided upon after analysis of the nature of the traffic and the practical problems of transportation. The following is a review of the principal features of the survey.

The limits of the United States coastal districts are:

North Atlantic district.—Atlantic coast, Canadian border to and including Hampton Roads.

South Atlantic district.—Hampton Roads to, but not including, Key West.

Gulf district.—Key West to Mexican border.

Pacific district.—Pacific coast, Canadian border to Mexican border.

[2] In addition to these 37 services the Postmaster General has recently authorized 4 additional services, calling for construction of 64,000 gross tons.

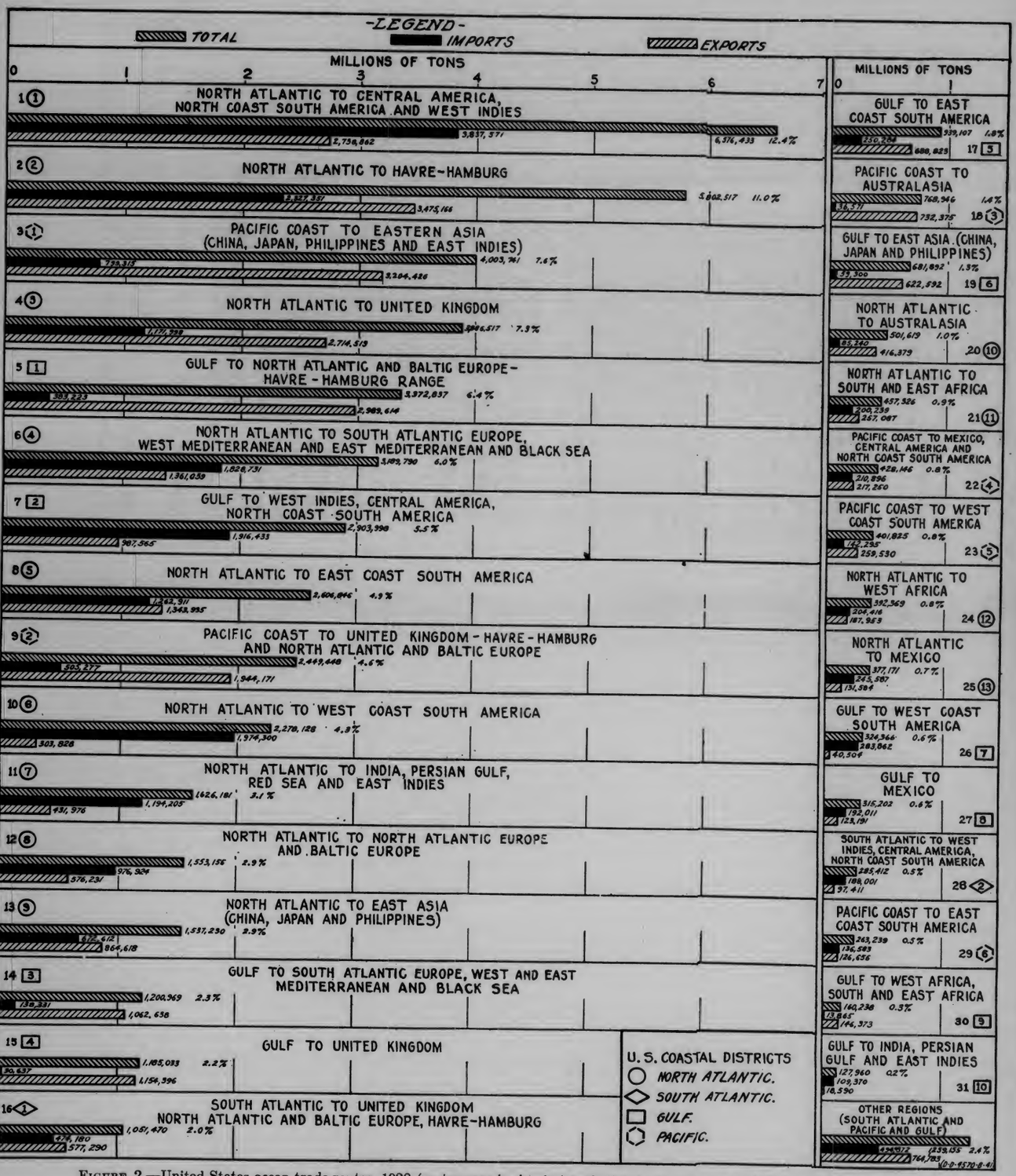

FIGURE 2.—United States ocean trade routes, 1928 (on tonnage basis), but excluding tanker cargoes and all trade with Canada

NOTE.—Simple Arabic numbers indicate relative position of each route in the total oversea foreign trade of the United States. The numbers within the symbols indicate the relative importance of the various oversea foreign regions to the respective United States coastal districts.

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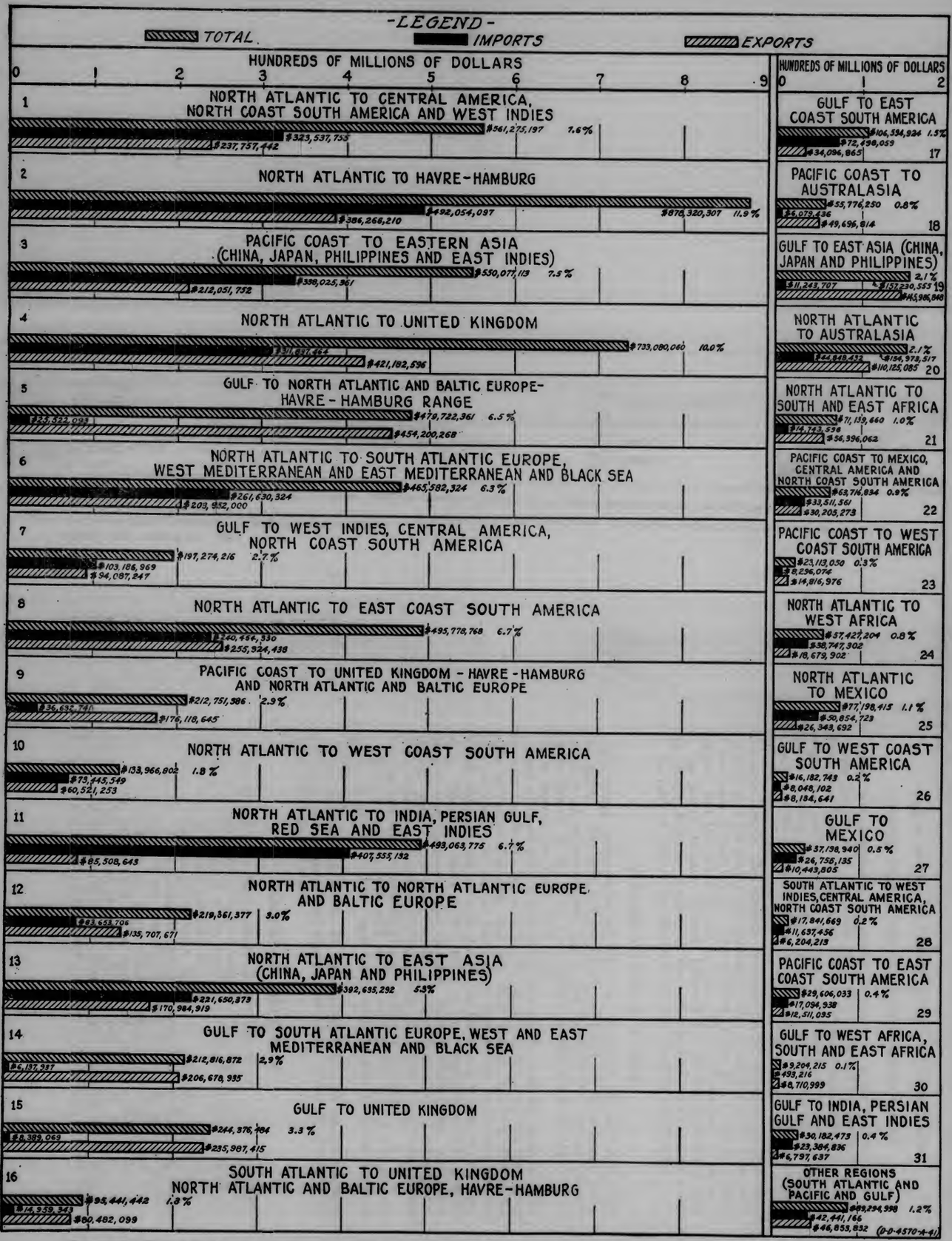

FIGURE 3.—United States ocean trade routes, 1928 (on value basis), including tanker cargoes, but excluding all trade with Canada

NOTE.—Numbers indicate relative position of each route in the total foreign trade of the United States, on the tonnage basis.

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UNITED STATES OCEAN-BORNE FOREIGN TRADE

As an introduction to the survey of our ocean trade routes, the two circular graphs show the total trade of the United States on tonnage and value bases for the year 1928. These graphs indicate that a substantial portion of our oversea foreign trade moves through the North Atlantic district. Specifically, the exports out of this district constituted 28 per cent of the tonnage of all our trade (exports and imports combined) and 29.5 per cent of the value of that trade. Correspondingly, the imports into the North Atlantic district constituted 30.2 per cent of the tonnage of all our trade and 34.8 per cent of the value of that trade. The tonnage figures given exclude tanker cargoes, but the value figures do not. The Gulf district ranks next to the North Atlantic district, followed by the Pacific district and the South Atlantic district, in the order named. Exact figures as to the rank of these three districts are contained in the graphs.

ANALYSIS ON TONNAGE BASIS

The ocean trade routes analyzed are shown on the accompanying bar charts. The first of these charts indicates, on the tonnage basis, exclusive of tanker cargoes, the extent to which the various oversea routes shared in the total water-borne foreign trade of the United States during the fiscal year 1928.

First of these routes in importance, on the tonnage basis, is that between the North Atlantic district and Central America, the north coast of South America, and the West Indies, which accounts for 12.4 per cent. In second place there follows the route between the North Atlantic district and the Havre-Hamburg range, with 11 per cent. The next three in the order of their importance are: Pacific district and Eastern Asia (China, Japan, Philippines, and East Indies), with 7.6 per cent; North Atlantic district and United Kingdom, with 7.3 per cent; and Gulf district and North Atlantic and Baltic Europe and Havre-Hamburg range, with 6.4 per cent.

Of the 31 routes dealt with in this survey, the first 5 account for nearly 45 per cent of the total trade, and the first 10 for as much as 70 per cent.

The rank of each of the 31 routes, together with figures showing separately the imports and exports over each route, are given in the accompanying bar chart.

ANALYSIS ON VALUE BASIS

Facing this page there appears a bar chart which indicates, on the value basis, inclusive of tanker cargoes, the extent to which the various oversea routes shared in the total water-borne foreign trade of the United States during the calendar year 1928.

First in importance of these routes, on the value basis, is that between the North Atlantic district and the Havre-Hamburg range, accounting for 11.9 per cent of the total trade. In second place is the route between the North Atlantic district and the United Kingdom, with 10 per cent. The next three, in the order of their importance, are: North Atlantic district and Central America, north coast of South America, and West Indies, together accounting for 7.6 per cent; Pacific district and Eastern Asia (China, Japan, Philip-

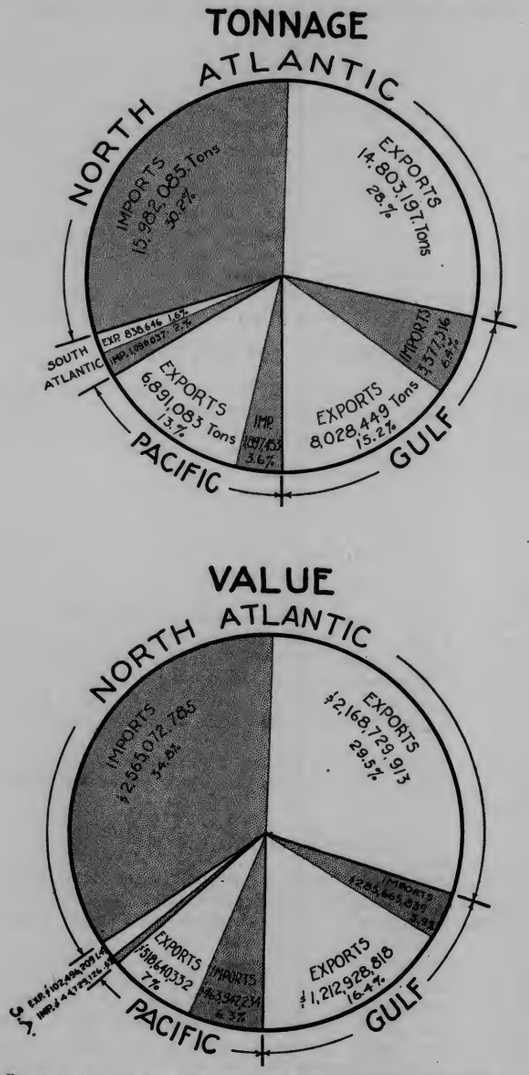

FIGURE 1.—Tonnage of dry cargo and values of all cargo, including tanker cargo

pines, and East Indies), with 7.5 per cent; North Atlantic district and east coast of South America, with 6.7 per cent; and North Atlantic district and India, Persian Gulf, Red Sea, and East Indies, with 6.7 per cent.

Of the 31 routes dealt with, the first 5 account for nearly 44 per cent of the total trade and the first 10 almost 72 per cent.

The rank of each of the 31 routes, together with figures showing separately the imports and exports over each route. are given in the accompanying bar chart.

AMERICAN SHIPS ON THESE ROUTES

American ships, in 1928, carried 31.5 per cent of our ocean-borne foreign trade, on the tonnage basis, excluding tanker cargoes. The participation was divided rather evenly between imports and exports, the percentage of the former being 31.6 and of the latter 31.3. Of the 10 leading routes, the highest percentage registered was on route 10, North Atlantic–west coast of South America, where as much as 60.3 per cent was carried in American ships. Of the same routes, the lowest percentage registered was on route 9, where only 4.8 per cent was carried in our ships.

The following table indicates the status of American ships on each of the 31 routes dealt with in this survey.

UNITED STATES OCEAN TRADE ROUTES, 1928—PERCENTAGE OF DRY CARGO CARRIED BY UNITED STATES FLAG VESSELS

Route number and foreign region	Imports	Exports	Combined imports and exports
	Per cent	*Per cent*	*Per cent*
1. North Atlantic: Central America, north coast South America, and West Indies	31.6	44.3	36.9
2. North Atlantic: Havre-Hamburg range	21.5	29.7	26.4
3. Pacific coast: Eastern Asia	58.0	29.3	35.0
4. North Atlantic: United Kingdom	8.5	25.0	20.1
5. Gulf: North Atlantic—Baltic Europe and Havre-Hamburg range	43.5	40.5	40.9
6. North Atlantic: South Atlantic—Europe, west Mediterranean, east Mediterranean, and Black Sea	12.8	19.7	15.7
7. Gulf: West Indies, Central America, and north coast South America	34.1	54.2	40.9
8. North Atlantic: East coast South America	42.3	26.5	34.2
9. Pacific: United Kingdom, Havre-Hamburg range, North Atlantic Europe, and Baltic Europe	2.6	5.4	4.8
10. North Atlantic: West coast South America	61.3	53.6	60.3
11. North Atlantic: India, Red Sea, Persian Gulf, East Indies	24.1	23.1	23.8
12. North Atlantic: North Atlantic Europe and Baltic Europe	14.1	18.5	15.7
13. North Atlantic: East Asia	40.1	31.8	35.4
14. Gulf: South Atlantic—Europe, west Mediterranean, east Mediterranean, and Black Sea	11.5	25.1	23.5
15. Gulf: United Kingdom	82.4	61.7	62.2
16. South Atlantic: United Kingdom, North Atlantic Europe, Baltic Europe, and Havre-Hamburg range	33.6	26.6	29.7
17. Gulf: East coast of South America	53.2	34.1	39.2
18. Pacific: Australasia	45.9	24.8	25.8
19. Gulf: East Asia	100.0	31.5	37.5
20. North Atlantic: Australasia	25.2	16.9	18.3
21. North Atlantic: South and East Africa	24.1	22.7	23.3
22. Pacific: Mexico, Central America, and north coast South America	58.1	55.4	56.7
23. Pacific: West coast South America	75.4	44.1	55.2
24. North Atlantic: West Africa	50.1	51.2	50.6
25. North Atlantic: Mexico	56.8	65.9	60.0
26. Gulf: West coast South America	22.3	90.0	30.8
27. Gulf: Mexico	23.0	28.0	25.0
28. South Atlantic: West Indies, Central America, and north coast South America	3.8	21.7	9.9
29. Pacific: East coast South America	39.7	50.8	45.0
30. Gulf: West Africa, South and East Africa	69.4	17.4	21.9
31. Gulf: India, Persian Gulf, Red Sea, East Indies	72.2	38.8	67.4
Other regions: From South Atlantic, Pacific, and Gulf	15.4	14.1	14.6
Total	31.6	31.3	31.5

OVERSEA TRADE, BY UNITED STATES DISTRICTS AND FOREIGN REGIONS

NORTH ATLANTIC DISTRICT

The accompanying map indicates graphically, on the tonnage basis, the relative importance of the various oversea foreign regions in the trade of our North Atlantic shipping district. The tables show statistically, on both the tonnage and value bases, the imports and exports between the various oversea foreign regions and our North Atlantic shipping district. They show also the annual liner sailings, distinguishing between American and foreign.

In the trade of our North Atlantic district, the leading foreign regions participating are: Central America, north coast of South

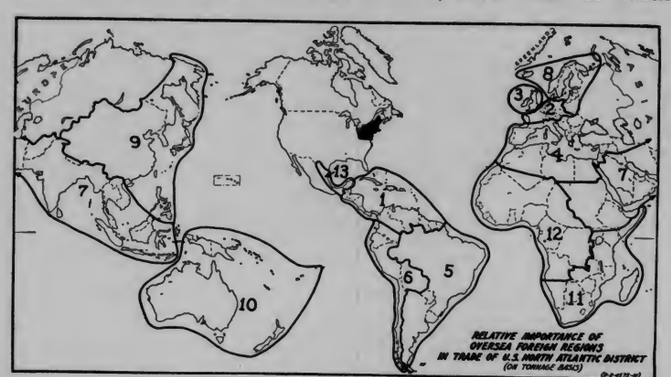

FIGURE 4

America, and West Indies, followed by the Havre-Hamburg range and the United Kingdom.

NORTH ATLANTIC DISTRICT: TONNAGE AND VALUE OF WATER-BORNE TRADE OF THE UNITED STATES BY PRIMARY FOREIGN TRADE REGIONS

[Percentages are based on totals of each district; tonnage is for fiscal year ended June 30, 1928; value is for calendar year 1928]

1. CENTRAL AMERICA, NORTH COAST OF SOUTH AMERICA, AND WEST INDIES

Class	Imports				Exports			
	Cargo tons	Per cent of classified tonnage	Value	Per cent of value	Cargo tons	Per cent of classified tonnage	Value	Per cent of value
Total	11,031,992	42.7	$323,537,755	12.6	2,795,826	16.8	$237,737,442	11.0
Tanker	7,194,421	73.3			56,964	3.1		
Low rate	2,669,130	26.7			1,678,919	18.1		
High rate	1,168,441	19.5			1,059,943	19.2		
Total dry cargo	3,837,571	24.0			2,738,862	18.5		

NORTH ATLANTIC DISTRICT: TONNAGE AND VALUE OF WATER-BORNE TRADE OF THE UNITED STATES BY PRIMARY FOREIGN TRADE REGIONS—Continued

2. HAVRE-HAMBURG

Class	Imports				Exports			
	Cargo tons	Per cent of classified tonnage	Value	Per cent of value	Cargo tons	Per cent of classified tonnage	Value	Per cent of value
Total	2,368,627	9.2	$492,054,097	19.2	3,911,112	23.6	$386,266,210	17.8
Tanker	41,276	.4			435,946	24.0		
Low rate	1,074,334	10.8			2,683,275	28.9		
High rate	1,253,017	20.9			791,891	14.4		
Total dry cargo	2,327,351	14.6			3,475,166	23.5		

3. UNITED KINGDOM

Total	1,195,524	4.6	$311,897,464	12.2	3,229,919	19.4	$421,182,596	19.4
Tanker	23,526	.2			515,400	28.4		
Low rate	684,424	6.9			1,835,486	19.7		
High rate	487,574	8.1			879,033	16.0		
Total dry cargo	1,171,998	7.3			2,714,519	18.3		

4. SOUTH ATLANTIC EUROPE, WEST MEDITERRANEAN AND EAST MEDITERRANEAN, AND BLACK SEA

Total	1,828,731	7.1	$261,630,324	10.2	1,800,937	10.8	$203,952,000	9.4
Tanker					439,878	24.2		
Low rate	1,273,114	12.7			1,011,530	10.9		
High rate	555,617	9.3			349,529	6.4		
Total dry cargo	1,828,731	11.4			1,361,059	9.2		

5. EAST COAST OF SOUTH AMERICA

Total	1,270,707	4.9	$240,454,330	9.4	1,459,932	8.8	$255,324,438	11.8
Tanker	7,796	.1			115,997	6.4		
Low rate	292,417	2.9			725,637	7.8		
High rate	970,494	16.2			618,298	11.2		
Total dry cargo	1,262,911	7.9			1,343,935	9.1		

6. WEST COAST OF SOUTH AMERICA

Total	2,086,041	8.1	$73,445,549	2.9	303,828	1.8	$60,521,253	2.8
Tanker	111,741	1.1						
Low rate	1,912,290	19.1			75,106	.8		
High rate	62,010	1.0			228,722	4.1		
Total dry cargo	1,974,300	12.4			303,828	2.1		

7. INDIA, PERSIAN GULF, RED SEA, AND EAST INDIES

Total	1,194,205	4.6	$407,555,132	15.9	431,976	2.6	$85,508,643	3.9
Low rate	318,272	3.2			213,581	2.3		
High rate	875,933	14.6			218,395	4.0		
Total dry cargo	1,194,205	7.5			431,976	2.9		

8. NORTH ATLANTIC AND BALTIC EUROPE

Total	976,924	3.8	$83,653,706	3.2	798,623	4.8	$135,707,671	6.2
Tanker					222,392	12.3		
Low rate	872,919	8.7			326,761	3.5		
High rate	104,005	1.7			249,470	4.5		
Total dry cargo	976,924	6.1			576,231	3.9		

NORTH ATLANTIC DISTRICT: TONNAGE AND VALUE OF WATER-BORNE TRADE OF THE UNITED STATES BY PRIMARY FOREIGN TRADE REGIONS—Continued

9. EAST ASIA

Class	Imports				Exports			
	Cargo tons	Per cent of classified tonnage	Value	Per cent of value	Cargo tons	Per cent of classified tonnage	Value	Per cent of value
Total	672,612	2.6	$221,650,373	8.6	864,618	5.2	$170,984,919	7.9
Low rate	462,957	4.6			263,378	2.8		
High rate	209,655	3.5			601,240	10.9		
Total dry cargo	672,612	4.2			864,618	5.8		

10. AUSTRALASIA

Total	91,736	0.4	$44,848,432	1.7	416,379	2.5	$110,125,085	5.1
Tanker	6,496	.1						
Low rate	32,170	.3			174,217	1.9		
High rate	53,070	.9			242,162	4.4		
Total dry cargo	85,240	.5			416,379	2.8		

11. SOUTH AND EAST AFRICA

Total	200,239	0.8	$14,743,598	0.6	263,490	1.6	$56,396,062	2.6
Tanker					6,403	.4		
Low rate	177,558	1.8			131,769	1.4		
High rate	22,681	.4			125,318	2.3		
Total dry cargo	200,239	1.3			257,087	1.7		

12. WEST AFRICA

Total	204,416	0.8	$38,747,302	1.5	208,833	1.3	$18,679,902	0.9
Tanker					20,880	1.2		
Low rate	75,208	.8			158,583	1.7		
High rate	129,208	2.2			29,370	.5		
Total dry cargo	204,416	1.3			187,953	1.3		

13. MEXICO

Total	2,682,326	10.4	$50,854,723	2.0	131,584	0.8	$26,343,692	1.2
Tanker	2,436,739	24.8						
Low rate	145,397	1.5			18,108	.2		
High rate	100,190	1.7			113,476	2.1		
Total dry cargo	245,587	1.5			131,584	.9		

District	Combined imports and exports		Scheduled regular sailings per year		
	Per cent of total dry cargo	Per cent of value of total cargo	Foreign	American	Total
1. Central America, north coast of South America, and West Indies	21.4	11.9	504	1,512	2,016
2. Havre-Hamburg	18.8	18.6	648	256	904
3. United Kingdom	12.6	15.5	486	171	657
4. South Atlantic Europe, West Mediterranean and East Mediterranean, and Black Sea	10.4	9.8	330	84	414
5. East coast of South America	8.5	10.5	240	72	312
6. West coast of South America	7.4	2.8	66	60	126
7. India, Persian Gulf, Red Sea, and East Indies	5.3	10.4	84	60	144
8. North Atlantic and Baltic Europe	5.0	4.6	168	24	192
9. East Asia	5.0	8.3	180	12	192
10. Australasia	1.6	3.3	84	18	102
11. South and East Africa	1.5	1.5	48	12	60
12. West Africa	1.3	1.2	18	18	36
13. Mexico	1.2	1.6	48	60	108

SOUTH ATLANTIC DISTRICT

The accompanying map indicates graphically, on the tonnage basis, the relative importance of the various oversea foreign regions in the trade of our South Atlantic shipping district. The tables show statistically, on both the tonnage and value bases, the imports and exports between the various oversea foreign regions and our South Atlantic shipping district. They show also the annual liner sailings, distinguishing between American and foreign.

Our South Atlantic district trades mostly with the following foreign regions: First, the United Kingdom, North Atlantic Europe, Baltic

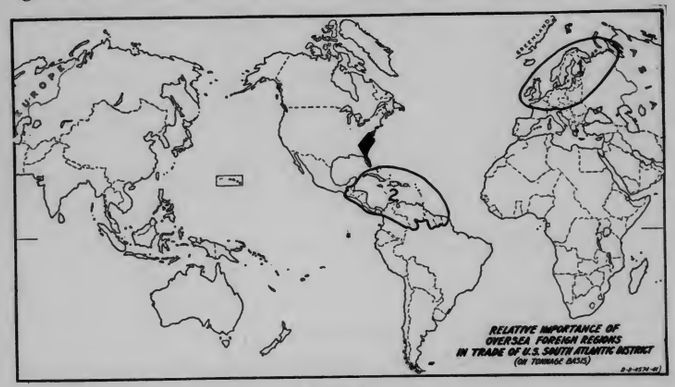

FIGURE 5

Europe, and Havre-Hamburg range; and second, Central America, north coast of South America, and West Indies.

SOUTH ATLANTIC DISTRICT: TONNAGE AND VALUE OF WATER-BORNE TRADE OF THE UNITED STATES BY PRIMARY FOREIGN TRADE REGIONS

[Percentages are based on totals of each district; tonnage is for fiscal year ended June 30, 1928; value is for calendar year 1928]

1. UNITED KINGDOM, NORTH ATLANTIC AND BALTIC EUROPE, HAVRE-HAMBURG

Class	Imports				Exports			
	Cargo tons	Per cent of classified tonnage	Value	Per cent of value	Cargo tons	Per cent of classified tonnage	Value	Per cent of value
Total	505,622	28.6	$14,959,343	33.4	584,302	68.9	$80,482,099	78.5
Tanker	31,442	4.7			7,012	76.7		
Low rate	424,402	42.8			368,801	64.2		
High rate	49,778	50.9			202,489	78.4		
Total dry cargo	474,180	43.5			577,290	68.8		

2. WEST INDIES, CENTRAL AMERICA, NORTH COAST SOUTH AMERICA

Total	355,497	20.2	$11,637,456	26.0	99,543	11.8	$6,204,213	6.1
Tanker	167,496	24.8			2,132	23.3		
Low rate	154,495	15.6			88,488	15.4		
High rate	33,506	34.3			8,923	3.5		
Total dry cargo	188,001	17.3			97,411	11.7		

SOUTH ATLANTIC DISTRICT: TONNAGE AND VALUE OF WATER-BORNE TRADE OF THE UNITED STATES BY PRIMARY FOREIGN TRADE REGIONS—Continued

3. OTHER REGIONS

Class	Imports				Exports			
	Cargo tons	Per cent of classified tonnage	Value	Per cent of value	Cargo tons	Per cent of classified tonnage	Value	Per cent of value
Total	904,618	51.2	$18,132,327	40.6	163,945	19.3	$15,809,897	15.4
Tanker	476,762	70.5						
Low rate	413,371	41.6			117,173	20.4		
High rate	14,485	14.8			46,772	18.1		
Total dry cargo	427,856	39.2			163,945	19.5		

District	Combined imports and exports		Scheduled regular sailings per year		
	Per cent of total dry cargo	Per cent of value of total cargo	Foreign	American	Total
1. United Kingdom, North Atlantic, and Baltic Europe, Havre-Hamburg	54.5	64.8	24	48	72
2. West Indies, Central America, north coast South America	14.8	12.1	96	192	288
3. Other regions	30.7	23.1	36	12	48

GULF DISTRICT

The accompanying map indicates graphically, on the tonnage basis, the relative importance of the various oversea foreign regions in the

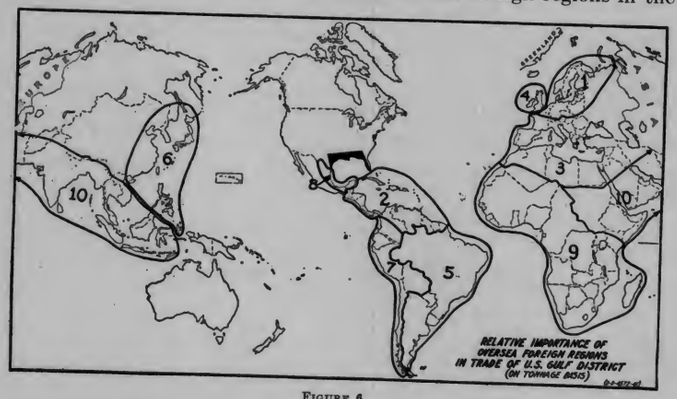

FIGURE 6

trade of our Gulf district. The tables show statistically, on both the tonnage and value bases, the imports and exports between the various oversea foreign regions and our Gulf district. They show also the annual liner sailings distinguishing between American and foreign.

In the trade of our Gulf district the foreign region of first importance is Baltic Europe and the Havre-Hamburg range. Next follows Central America, north coast of South America, and West Indies. In third place is the Mediterranean and Black Sea region.

GULF DISTRICT: TONNAGE AND VALUE OF WATER-BORNE TRADE OF THE UNITED STATES BY PRIMARY FOREIGN TRADE REGIONS

[Percentages are based on totals of each district; tonnage is for fiscal year ended June 30, 1928; value is for calendar year 1928]

1. BALTIC EUROPE AND HAVRE-HAMBURG RANGE

Class	Imports				Exports			
	Cargo tons	Per cent of classified tonnage	Value	Per cent of value	Cargo tons	Per cent of classified tonnage	Value	Per cent of value
Total	504,732	8.7	$25,522,093	8.9	4,968,313	36.3	$454,200,268	37.4
Tanker	121,509	5.0			1,978,699	34.8		
Low rate	235,291	11.8			2,174,178	36.2		
High rate	147,932	10.8			815,436	40.2		
Total dry cargo	383,223	11.3			2,989,614	37.2		

2. WEST INDIES, CENTRAL AMERICA, NORTH COAST OF SOUTH AMERICA

Total	2,877,648	49.5	$103,186,969	36.2	1,549,740	11.3	$94,087,247	7.8
Tanker	961,215	39.4			562,175	9.9		
Low rate	1,235,331	61.8			758,721	12.6		
High rate	681,102	49.5			228,844	11.3		
Total dry cargo	1,916,433	56.7			987,565	12.3		

3. SOUTH ATLANTIC EUROPE, WEST MEDITERRANEAN, EAST MEDITERRANEAN, AND BLACK SEA

Total	138,331	2.4	$6,137,937	2.1	2,132,642	15.5	$206,678,935	17.0
Tanker					1,070,004	18.9		
Low rate	116,095	5.8			789,215	13.2		
High rate	22,236	1.6			273,423	13.5		
Total dry cargo	138,331	4.2			1,062,638	13.2		

4. UNITED KINGDOM

Total	138,206	2.4	$8,389,069	2.9	2,848,580	20.8	$235,987,415	19.5
Tanker	107,569	4.5			1,694,184	30.0		
Low rate	16,706	.8			848,981	14.2		
High rate	13,931	1.0			305,415	15.0		
Total dry cargo	30,637	.9			1,154,396	14.4		

5. EAST COAST OF SOUTH AMERICA

Total	253,884	4.4	$72,498,059	25.3	785,061	5.7	$34,096,865	2.8
Tanker	3,600	.1			96,238	1.7		
Low rate	48,489	2.5			663,372	11.0		
High rate	201,795	14.8			25,451	1.3		
Total dry cargo	250,284	7.4			688,823	8.7		

6. EAST ASIA

Total	59,300	1.0	$11,243,707	3.9	681,386	5.0	$145,986,848	12.0
Tanker					58,794	1.0		
Low rate	22,945	.9			300,209	5.0		
High rate	36,355	2.6			322,383	15.9		
Total dry cargo	59,300	1.8			622,592	7.8		

GULF DISTRICT: TONNAGE AND VALUE OF WATER-BORNE TRADE OF THE UNITED STATES BY PRIMARY FOREIGN TRADE REGIONS—Continued

7. WEST COAST OF SOUTH AMERICA

Class	Imports				Exports			
	Cargo tons	Per cent of classified tonnage	Value	Per cent of value	Cargo tons	Per cent of classified tonnage	Value	Per cent of value
Total	283,862	4.9	$8,048,102	2.8	45,035	0.3	$8,134,641	0.7
Tanker					4,531	.1		
Low rate	283,588	14.2			22,336	.3		
High rate	274				18,168	.9		
Total dry cargo	283,862	8.4			40,504	.5		

8. MEXICO

Total	1,424,502	24.5	$26,755,135	9.5	145,234	1.1	$10,443,805	0.9
Tanker	1,232,491	50.6			22,043	.4		
Low rate	11,263	.6			99,953	1.8		
High rate	180,748	13.1			23,238	1.2		
Total dry cargo	192,011	5.7			123,191	1.5		

9. WEST AFRICA, SOUTH AND EAST AFRICA

Total	13,865	0.2	$493,216	0.2	245,559	1.8	$8,710,999	0.7
Tanker					99,186	1.7		
Low rate	11,463	.6			145,218	2.4		
High rate	2,402	.1			1,155			
Total dry cargo	13,865	.4			146,373	1.8		

10. INDIA, PERSIAN GULF, AND EAST INDIES

Total	109,370	1.8	$23,384,836	8.2	106,472	0.8	$6,797,637	0.6
Tanker					87,882	1.5		
Low rate	19,576	1.0			3,615	.1		
High rate	89,794	6.5			14,975	.7		
Total dry cargo	109,370	3.2			18,590	.2		

11. OTHER REGIONS

Total	9,900	0.2	$6,716		194,163	1.4	$7,804,158	0.6
Tanker	9,900	.4						
Low rate					193,011	3.2		
High rate					1,152			
Total dry cargo					194,163	2.4		

District	Combined imports and exports		Scheduled regular sailings per year		
	Per cent of total dry cargo	Per cent of value of total cargo	Foreign	American	Total
1. Baltic Europe and Havre-Hamburg Range	30.0	32.0	150	204	354
2. West Indies, Central America, north coast of South America	25.4	13.2	264	552	816
3. South Atlantic Europe, West Mediterranean, East Mediterranean, and Black Sea	10.4	14.2	90	78	168
4. United Kingdom	10.4	16.3	48	120	168
5. East coast of South America	8.2	7.1		48	48
6. East Asia	6.0	10.5	42	12	54
7. West coast of South America	2.8	1.1		18	18
8. Mexico	2.8	2.5	72	96	168
9. West Africa, South and East Africa	1.4	.6	12	6	18
10. India, Persian Gulf, and East Indies	1.0	2.0		12	12
11. Other regions	1.6	.5			

PACIFIC DISTRICT

The accompanying map indicates graphically, on the tonnage basis, the relative importance of the various oversea foreign regions in the trade of our Pacific shipping district. The tables show statistically, on both the tonnage and value bases, the imports and exports between the various oversea foreign regions and our Pacific shipping district. They show also the annual liner sailings, distinguishing between American and foreign.

Our Pacific district turns first to the Orient for its trade; that is, to China, Japan, the Philippines, and the East Indies; secondly, to

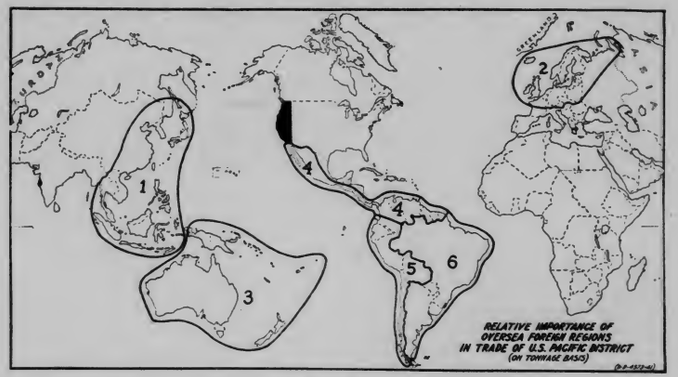

FIGURE 7

the United Kingdom, Havre-Hamburg range, and Baltic Europe; and third, to Australasia.

PACIFIC DISTRICT: TONNAGE AND VALUE OF WATER-BORNE TRADE OF THE UNITED STATES BY PRIMARY FOREIGN TRADE REGIONS

[Percentages are based on totals of each district; tonnage is for fiscal year ended June 30, 1928; valuation is for calendar year 1928]

1. EASTERN ASIA

Class	Imports				Exports			
	Cargo tons	Per cent of classified tonnage	Value	Per cent of value	Cargo tons	Per cent of classified tonnage	Value	Per cent of value
Total	803,450	40.5	$338,025,361	72.9	5,076,298	39.2	$212,051,752	40.9
Tanker	4,135	4.7			1,871,872	30.9		
Low rate	219,653	25.8			2,820,757	48.3		
High rate	579,662	55.4			383,669	36.6		
Total dry cargo	799,315	42.1			3,204,426	46.5		

2. ATLANTIC EUROPE

Total	558,312	28.1	$36,632,741	7.9	2,717,181	21.0	$176,118,645	34.0
Tanker	53,035	59.7			773,010	12.8		
Low rate	264,035	31.0			1,419,517	24.3		
High rate	241,242	23.0			524,654	50.0		
Total dry cargo	505,277	26.6			1,944,171	28.2		

PACIFIC DISTRICT: TONNAGE AND VALUE OF WATER-BORNE TRADE OF THE UNITED STATES BY PRIMARY FOREIGN TRADE REGIONS—Continued

3. AUSTRALASIA

Class	Imports				Exports			
	Cargo tons	Per cent of classified tonnage	Value	Per cent of value	Cargo tons	Per cent of classified tonnage	Value	Per cent of value
Total	36,571	1.8	$6,079,436	1.3	1,243,208	9.6	$49,696,814	9.6
Tanker					510,833	8.4		
Low rate	4,107	.5			684,633	11.7		
High rate	32,464	3.1			47,742	4.7		
Total dry cargo	36,571	1.9			732,375	10.6		

4. MEXICO, CENTRAL AMERICA, AND NORTH COAST SOUTH AMERICA

Total	212,796	10.7	$33,511,561	7.2	1,362,920	10.5	$30,205,273	5.8
Tanker	1,900	2.1			1,145,670	18.9		
Low rate	105,197	12.4			172,969	3.0		
High rate	105,699	10.1			44,281	4.2		
Total dry cargo	210,896	11.2			217,250	3.2		

5. WEST COAST SOUTH AMERICA

Total	142,295	7.2	$8,296,074	1.8	970,071	7.5	$14,816,976	2.9
Tanker					710,541	11.7		
Low rate	126,611	14.9			248,793	4.3		
High rate	15,684	1.5			10,737	1.0		
Total dry cargo	142,295	7.5			259,530	3.8		

6. EAST COAST SOUTH AMERICA

Total	136,583	6.9	$17,094,938	3.7	1,075,934	8.3	$12,511,095	2.4
Tanker					949,278	15.7		
Low rate	82,166	9.7			111,542	1.9		
High rate	54,417	5.2			15,114	1.4		
Total dry cargo	136,583	7.2			126,656	1.8		

7. OTHER REGIONS

Total	96,316	4.8	$24,302,123	5.2	506,391	3.9	$23,239,777	4.4
Tanker	29,800	33.5			99,716	1.6		
Low rate	49,218	5.7			384,565	6.5		
High rate	17,298	1.7			22,110	2.1		
Total dry cargo	66,516	3.5			406,675	5.9		

District	Combined imports and exports		Scheduled regular sailings per year		
	Per cent of total dry cargo	Per cent of value of total cargo	Foreign	American	Total
1. Eastern Asia	45.6	55.9	144	120	264
2. Atlantic Europe	27.9	21.6	198	24	222
3. Australasia	8.7	6.0	42	42	84
4. Mexico, Central America, and north coast South America	4.9	6.4	24	60	84
5. West coast South America	4.6	2.4	36	18	54
6. East coast South America	3.0	2.9	12	12	24
7. Other regions	5.3	4.8	18		18

In compiling the value figures for the foregoing tables, it was necessary to leave a small percentage of the total unallocated as regards particular coastal districts, inasmuch as the coastal districts of receipt or shipment could not be determined for the trade of a few of our inland customs areas. The amount of the total trade unallocated in the case of exports is 2½ per cent; in the case of imports, 5½ per cent; and in the case of parcel post, 0.8 per cent.

RECAPITULATION

The following tables show the proportionate share of each of the various foreign regions in the total imports and exports of the United States. Europe holds a commanding lead over the other regions of the world, the United Kingdom, and the Havre-Hamburg range alone accounting for nearly 28 per cent of the tonnage and about 35 per cent of the value of our total trade. Next in importance are the West Indies and Eastern Asia, the first contributing 15 per cent of the tonnage of our total trade and 6 per cent of the value, the second contributing 10 per cent of the tonnage and 15½ per cent of the value. The status of all the regions is shown in the tables.

RECAPITULATION—IMPORTS AND EXPORTS, BY TRADE REGION

Foreign trade region	Imports		Exports	
	Cargo tons	Value	Cargo tons	Value
United Kingdom	1,454,587	$349,813,186	8,106,618	$860,791,765
Baltic Europe	1,099,759	98,288,053	2,018,738	220,924,431
Havre-Hamburg	3,693,601	588,492,294	8,932,674	887,104,934
South Atlantic Europe	490,032	47,668,794	1,259,157	95,694,769
West Mediterranean	1,172,551	148,876,774	2,564,285	287,621,676
East Mediterranean and Black Sea	348,642	90,061,657	466,449	60,633,629
West Africa	216,193	39,283,167	292,307	20,596,417
South and East Africa	204,347	15,278,561	450,862	69,304,458
India, Persian Gulf, and Red Sea	823,438	183,100,879	337,356	57,403,385
East Indies	548,897	290,794,441	400,742	50,636,909
Australasia	138,207	53,450,693	1,853,899	180,033,200
East Asia	1,492,390	656,673,922	6,490,259	535,436,086
West Indies	8,717,861	289,588,698	3,296,484	197,145,003
Mexico	4,606,871	91,452,056	481,597	49,518,452
Central America	1,429,082	45,344,539	2,008,879	82,115,154
North coast South America	4,271,412	133,789,311	437,969	89,670,409
East coast South America	1,683,550	332,396,027	3,399,476	306,452,945
West coast South America	2,978,320	103,223,253	1,321,284	84,690,967
Total	35,369,740	3,557,576,305	44,119,035	4,135,774,589

RECAPITULATION—COMBINED IMPORTS AND EXPORTS, BY TRADE REGION

Foreign trade region	Tonnage	Per cent of total	Value	Per cent of total
United Kingdom	9,561,205	12.0	$1,210,604,951	15.7
Baltic Europe	3,118,497	3.9	319,212,484	4.2
Havre-Hamburg	12,626,275	15.9	1,475,597,228	19.2
South Atlantic Europe	1,749,189	2.2	143,363,563	1.9
West Mediterranean	3,736,836	4.7	436,498,450	5.7
East Mediterranean and Black Sea	815,091	1.0	150,695,286	2.0
West Africa	508,500	.7	59,879,584	.8
South and East Africa	655,209	.8	84,583,019	1.1
India, Persian Gulf, and Red Sea	1,160,794	1.5	240,504,264	3.1
East Indies	949,639	1.2	341,431,350	4.4
Australasia	1,992,106	2.5	233,483,893	3.0
East Asia	7,982,649	10.1	1,192,110,008	15.5
West Indies	12,014,345	15.1	486,733,701	6.3
Mexico	5,088,468	6.4	140,970,508	1.8
Central America	3,437,961	4.3	127,459,693	1.7
North coast South America	4,709,381	5.9	223,459,720	2.9
East coast South America	5,083,026	6.4	638,848,972	8.3
West coast South America	4,299,604	5.4	187,914,220	2.4
Total	79,488,775		7,693,350,894	

PAST AND FUTURE TRADE

(Prepared in Regional Information Division)

In conjunction with this study of the present status of our ocean routes it is interesting to review what the trend of trade over these routes has been in the past and what it may be in the future. This is shown as comprehensively as the available data permit.

EUROPE, NEAR EAST, AND AFRICA

For the past several years the normal rate of increase in our exports to Europe has been between 2 and 3 per cent each year. In 1929 there was a decline of about 2 per cent from the value of this trade in 1928, but there is no reason to anticipate any material change in the general trend in the near future. European industrial recovery has made great progress recently, but is still spotty and far from complete. Greater activity will mean more competition with our exports, but also higher purchasing power, which can be expected to increase sales. Good harvests generally, as last year, may reduce our agricultural exports, but will have a generally favorable reaction through increasing purchasing power.

Our imports from Europe also may be expected to increase, on an average, at about the same rate as our exports. The rate of increase in 1929 as compared with 1928 was nearly 7 per cent. This is abnormally high and can hardly be maintained. In 1928 there was a decline of 2.2 per cent from 1927. If capital for investment becomes more plentiful, particularly if American investments abroad are resumed on a large scale, our exports will benefit materially.

Comparisons of trade in recent years with that of the period 1923–1925 are likely to be misleading because the earlier period was one of general depression in Europe. The following paragraphs present reviews of particular regions:

United Kingdom and Irish Free State.—Developments in this area will be slow, dependent on the gradual improvement of British industry. Industrial development in Ireland (as the Shannon Power plant) may improve that market, and direct trade with the Free State can be expected to increase.

North Atlantic and Baltic.—No radical change is to be expected in our trade with this area. It will continue to be a strong market for American goods, which should sell in steadily increasing quantities. Imports appear to have been abnormally high in 1929. Conditions in the Scandinavian and Baltic countries depend to a large extent on the market for agricultural and forest products. The opening of a new American automobile plant in Copenhagen should increase our exports to Denmark. Direct trade with Poland, the Baltic Republics, and Finland probably will increase.

All of Polish trade is included in this region, although much of it passes via Hamburg and Bremen.

Havre-Hamburg.—Germany and, to a less extent, France are the dominating factors in trade with this region. Conditions in Germany point to an improved market, especially if foreign capital becomes available to German industry. Proposed tax reductions in the major countries of this group will relieve business and increase purchasing power. Belgium, France, Switzerland, Czechoslovakia, and the Netherlands rank among the prosperous European countries at the present time. Trade in both directions should increase at a normal rate.

Although Hungary is not included in this group, a considerable share of its trade is via Hamburg.

South Atlantic Europe.—There is nothing in the Spanish situation to indicate the probability of any radical change in our trade. The Government is undertaking to discourage "unnecessary" imports in favor of Spanish industry, but the accomplishment of the ambitious industrial, transportation, and power program will tend to increase our sales of raw materials and construction goods. Our trade with Portugal already is reflecting the improved situation in that country. (For France, see paragraph on Havre-Hamburg.)

West Mediterranean.—The future of Italian business is somewhat doubtful though there is no reason to anticipate any definite reverse. The probability is rather for a gradual improvement, especially if agricultural returns continue good. Increased domestic wheat production will affect our important grain trade, but the carrying out of the Government's reclamation and construction program should benefit our exports.

Our trade with Algeria, Tunisia, and Morocco has shown large gains in both directions in recent years, and this tendency may be expected to continue with the development of that region. Direct trade with North Africa probably will increase. (For France and Spain, see paragraphs on Havre-Hamburg and South Atlantic Europe.)

East Mediterranean and Black Sea.—No material change is to be expected in our trade with this region. Imports depend to a great extent on the Greek tobacco and Egyptian cotton crops and prices, and exports on the general agricultural situation as affecting sales of American wheat and the purchasing power of the peasant class. A series of bad harvests has depressed conditions in Asia Minor and the Palestine disturbances were also an adverse factor. In that section, therefore, conditions have been about as bad as they could be, and any change will probably be an improvement.

The modernization program in Turkey may eventually increase the importance of that market.

West Africa.—The importance of West Africa to our trade, especially on the import side, has increased tremendously in recent years. With the further development of this area and the greater interest shown by American business in its possibilities this trade will continue to grow. The opening of more direct connections with the United States will aid in this development.

South and East Africa.—The United States undoubtedly will keep its share in the trade with British South Africa, although there probably will be a slowing down in the rate of increase over the next few years. The development of good roads will continue to emphasize the automotive market. Our trade with East Africa can be expected to increase steadily as that area is further developed. Direct shipping connections with the United States are an important factor in this trade.

Persian Gulf and Red Sea.—Our trade with this region, of course, is unimportant. A relatively large increase in trade with Ethiopia is probable if present tendencies in that country continue.

Basis of tabulation.—Official United States figures for value have been used as published in Foreign Commerce and Navigation of the United States. Price corrections have been made according to United States price indexes, as follows: 1913=100; 1928 export prices=125; 1928 import prices=126. 1923–1925=100; 1928 export prices=86; 1928 import prices=74.

Where the trade of a country falls within more than one trade area, value figures for each area have been computed on the basis of tonnage, except in the case of imports from European Russia, which have been equally divided between the Baltic and Black Sea areas. The percentages used are as follows:

France.—Havre-Hamburg, exports, 59 per cent; imports, 73 per cent. South Atlantic, exports, 19 per cent; imports, 12 per cent. West Mediterranean, exports, 22 per cent; imports, 15 per cent.

Spain.—South Atlantic, exports, 38.5 per cent; imports, 61 per cent. West Mediterranean, exports, 61.5 per cent; imports, 39 per cent.

U. S. S. R. in Europe.—Baltic Sea, exports, 79 per cent; imports, 50 per cent. Black Sea, exports, 21 per cent; imports, 50 per cent.

By using United States figures, the trade position of certain interior European countries is not accurately shown because of transshipment. The totals for the various areas, however, are not materially affected by this consideration.

CHANGES IN UNITED STATES TRADE WITH EUROPE, NEAR EAST, AND AFRICA

Region	Per cent change [1]			
	1928 from 1927		1929 from 1928	
	Exports	Imports	Exports	Imports
United Kingdom and Irish Free State	1.2	2.8	0.2	−4.6
North Atlantic and Baltic	7.2	−1.4	6.0	14.0
Havre-Hamburg	−1.8	3.1	−6.0	9.5
South Atlantic Europe	2.8	0.1	8.2	7.6
West Mediterranean	18.5	−4.4	−1.3	12.9
East Mediterranean and Black Sea	11.4	−15.6	19.5	13.5
West Africa	−0.9	−6.7	6.0	12.4
South and East Africa	10.8	29.9	9.5	12.0
Persian Gulf and Red Sea	−11.1	8.2	17.5	−1.7

[1] Increases unless marked with a minus sign (−).

NOTE.—From 1927 to 1928 the export price index rose from 124 to 125; and the import price index dropped from 130 to 126 (a decline of 3.1 per cent).

UNITED STATES TRADE WITH EUROPE, NEAR EAST, AND AFRICA, BY DISTRICTS

[In thousands of dollars; all percentages are increases unless marked with a minus (−)]

District	1928		Per cent change 1928 from—				Per cent change 1928 from—			
			1910–1914		1923–1925		1910–1914 in 1913 prices		1923–1925 in 1923–1925 prices	
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
UNITED KINGDOM										
United Kingdom	847,325	348,540	49.3	24.9	−12.3	−11.6	19.4	−0.9	2.0	19.5
Irish Free State	13,466	1,273	-------	-------	[1] 85.0	0.3	-------	-------	115.1	35.5
Total	860,791	349,813	49.3	24.9	−11.1	−11.4	19.4	−0.9	3.4	19.7
NORTH ATLANTIC AND BALTIC EUROPE										
Denmark	47,173	3,938	206.5	51.6	2.6	−31.0	145.2	12.4	19.3	−6.8
Norway	21,141	21,726	170.4	168.7	−13.8	0.6	116.3	113.2	0.2	35.9
Sweden	57,322	46,085	471.3	383.9	35.2	17.9	357.0	284.0	57.2	59.3
Finland	18,742	9,872	518.3	6,352.2	68.4	15.4	394.6	5,020.8	95.8	55.9
Poland and Danzig	15,876	3,604	-------	-------	104.9	20.0	-------	-------	138.2	62.2
Estonia [2]	960	1,064	-------	-------	−34.4	177.8	-------	-------	−23.7	275.4
Iceland	297	327	1,756.2	360.5	78.9	427.4	1,385.0	265.5	108.0	612.7
Latvia [3]	1,071	3,836	-------	-------	−63.1	−4.0	-------	-------	−57.1	29.7
Lithuania	334	410	-------	-------	302.4	−1.0	-------	-------	367.9	33.8
Greenland	4	449	-------	1,260.6	-------	14.5	-------	979.4	-------	54.7
European Russia (Baltic)	57,278	6,975	209.1	−27.1	87.8	87.9	147.3	−42.2	118.3	153.6
Total	220,198	98,286	301.7	227.2	31.0	13.1	221.4	158.5	52.3	52.8
HAVRE-HAMBURG										
Austria	5,977	12,121	-------	-------	126.7	120.4	-------	-------	163.6	197.9
Belgium	111,830	75,074	110.6	86.1	−0.5	11.2	68.5	47.7	15.7	50.3
Czechoslovakia	5,341	36,783	-------	-------	172.4	78.1	-------	-------	216.7	140.7
Germany	467,260	222,130	53.6	25.8	14.2	43.4	22.9	−0.2	32.8	93.8
Netherlands	142,278	83,604	36.0	139.3	6.2	2.7	8.8	89.9	23.5	38.8
Switzerland	12,210	42,895	1,365.8	73.8	55.1	12.9	1,072.6	37.9	80.3	52.5
France	142,008	115,886	73.4	22.0	−13.5	4.7	38.7	−3.3	0.6	41.4
Total	886,904	588,493	57.0	51.1	6.6	28.3	25.6	19.9	24.0	73.4
SOUTH ATLANTIC EUROPE										
France	45,731	19,050	73.4	22.0	−13.5	4.7	38.7	−3.6	0.6	41.4
Portugal	12,772	5,329	253.8	−18.7	50.8	52.6	183.0	−35.8	75.3	106.2
Spain	33,346	21,361	230.7	62.0	22.4	−21.6	164.6	28.0	42.3	5.9
Madeira, Azores	731	1,615	241.6	504.9	−13.2	−31.2	173.3	377.9	0.9	−7.1
Canaries	3,259	835	333.4	500.7	65.9	181.1	246.7	374.6	92.9	279.8
Total	95,839	48,190	10.1	34.8	4.9	11.3	−11.9	6.5	22.0	50.4
WEST MEDITERRANEAN										
Gibraltar	1,619	30	242.3	172.7	92.3	−98.8	173.8	115.4	123.6	−98.4
Albania and Yugoslavia	1,782	1,766	-------	-------	107.5	129.4	-------	-------	141.3	209.9
France	52,952	23,812	73.3	22.0	−13.5	4.7	38.6	−3.6	0.6	41.4
Spain	53,267	13,657	230.7	62.1	22.4	12.5	164.6	28.1	42.4	52.0
Italy	162,125	101,681	145.8	98.8	−13.1	13.2	96.6	57.0	1.1	52.9
Hungary	2,734	1,215	-------	-------	522.8	39.2	-------	-------	630.4	88.1
Morocco	3,669	1,136	7,094.1	389.6	81.3	118.5	5,895.3	266.8	110.9	195.2
Tunis and Algeria	8,725	4,938	270.2	573.7	56.1	104.0	196.2	432.2	81.5	175.6
Malta, Gozo, Cyprus	805	121	113.0	572.2	−31.4	−22.4	70.4	431.0	−20.2	18.3
Total	287,678	148,356	148.2	83.0	−4.8	5.7	98.6	44.6	10.7	42.8

[1] 1925 only.
[2] Exports abnormally high, 1923 and 1924.
[3] Exports abnormally high, 1923.

UNITED STATES TRADE WITH EUROPE, NEAR EAST, AND AFRICA, BY DISTRICTS—Continued

[In thousands of dollars; all percentages are increases unless marked with a minus (−)]

District	1928		Per cent change 1928 from—				Per cent change 1928 from—			
			1910–1914		1923–1925		1910–1914 in 1913 prices		1923–1925 in 1923–1925 prices	
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
EAST MEDITERRANEAN AND BLACK SEA										
Bulgaria	649	707	293.3	88.0	56.0	−37.7	214.6	49.1	81.4	−15.9
Greece	13,853	14,610	1,486.8	338.9	−8.2	−35.8	1,269.4	248.0	6.8	−13.3
Rumania	9,431	677	566.5	173.0	519.2	175.2	433.2	116.5	620.1	271.5
European Russia (southern)	15,226	6,975	209.1	−27.1	87.8	87.9	247.3	−42.2	118.4	153.7
Palestine and Syria	4,584	4,961			32.9	48.5			54.6	100.5
Turkey	4,242	18,388	26.7	−4.5	21.0	30.5	1.2	−24.3	40.7	76.2
Egypt	11,059	28,687	555.5	70.0	70.7	−21.7	424.4	34.8	98.5	5.7
Persia	1,531	9,293	1,059.8	575.0	192.2	56.2	827.8	435.3	239.8	110.9
Arabia and Iraq	1,026	5,834			126.5	57.2			163.4	112.2
Italian Africa	80	22	60.0	−79.2	37.9	−24.1	28.0	−83.5	60.4	2.5
Total	61,681	90,154	389.7	76.3	55.8	−1.6	291.8	39.8	81.2	32.8
WEST AFRICA										
Belgian Congo	771	15,729	2,167.6	(1)	43.8	1,009.1	1,714.1	(1)	67.2	1,397.3
British West Africa	13,453	22,168	380.5	6,982.4	9.6	41.9	284.4	5,516.3	27.5	91.6
Spanish Africa (other)	1,076	1	(1)		75.5		(1)		104.1	
Portuguese Africa (other)	1,345	81			91.1	−98.7			122.2	−98.2
French Africa (other)	3,353	1,201			30.0	31.7			51.2	77.8
Liberia	597	104	521.9	(1)	150.9	215.2	397.5	(1)	191.8	325.5
Total	20,595	39,284	598.8	(1)	21.5	61.0	449.0	(1)	41.3	117.4
SOUTH AND EAST AFRICA										
British East Africa	4,891	2,810	590.8	198.3	86.8	28.1	452.6	136.5	117.2	72.9
British South Africa	59,093	9,181	357.8	272.8	60.3	−9.3	266.2	195.6	86.4	22.4
Madagascar	313	217	1,588.8	848.4	142.6	−28.6	1,251.0	652.1	182.1	−3.6
Mozambique	5,008	3,071			25.1	−67.3			45.6	−55.9
Total	69,305	15,279	408.3	344.4	58.9	−22.8	306.6	252.4	84.8	4.2
PERSIAN GULF AND RED SEA										
Ethiopia	21	26	(1)	(1)	90.9	(1)	(1)	(1)	122.0	(1)
Aden	517	3,315	−61.6	83.4	−22.8	24.5	−69.3	46.4	−10.2	68.1
Total	538	3,341	−60.0	84.7	−21.0	25.5	−68.0	46.5	−8.1	69.4

[1] Not worth computing, as earlier figure is practically nil.

LATIN AMERICA

Touching upon the future trends of our Latin American trade during the next 5 or 10 years, it would be impossible to venture any prediction in statistical form that would be of the slightest value owing to the many imponderable factors affecting the situation. However, these factors will be pointed out in the following survey which purports to show possible, not probable, trends in our Latin American trade.

West Indies.—The increase in our imports from the West Indies during the past five years has been entirely a matter of petroleum shipments originating in Venezuela but consigned from Curacao, Netherland West Indies, where they were sent either for transshipment or for refining. Even in the two years 1927 and 1928 imports of petroleum products from Curacao have jumped from 14,000,000 barrels in 1927 to 30,000,000 barrels in 1928.[2] It is impossible to venture any prediction as to future trends in this trade, inasmuch as it depends upon such uncertain factors as the world petroleum market, new discoveries or exploitation in other parts of the world, petroleum prices, possible purposeful restriction of production, and the political situation in Venezuela. The second item, in point of value in our imports from the West Indies, is sugar, and during 1927 and 1928 there was some decline in our imports, as we took 3,700,000 short tons from the West Indies, chiefly Cuba, in 1927, and 3,300,000 tons in 1928. On the other hand, molasses imports from the islands increased in the same period from 236,000,000 to 251,000,000 gallons.

Sugar consumption in the United States has been steadily increasing, but it is impossible to base any prediction on that factor without taking into consideration production in the United States, the Philippines, Porto Rico, or Hawaii, all of which may be decidedly affected by possible tariff changes. Banana shipments from the West Indies, chiefly from Jamaica, have increased at a fairly steady rate, and rose from 12,000,000 bunches in 1927 to 15,000,000 bunches in 1928. The consumption of bananas in this country is decidedly on the increase, but new developments which are under way, in heretofore unexploited areas, may divert some of this trade away from the West Indies, or possibly from the West Indies to Europe rather than to the United States. Importations of leaf and scrap tobacco from Cuba have fallen off in the past several years, amounting to 25,000,000 pounds in 1927 and to 24,000,000 pounds in 1928. The cigar importations from Cuba have likewise decreased from 408,000 pounds in 1927 to 386,000 in 1928. The declining use of cigars in the United States, owing to increased cigarette smoking, and the production of tariff-protected tobacco and cigars in this country are factors which must be taken into consideration in gaging future trends.

Exports to the West Indies have shown a 54 per cent increase in "real" values since the pre-war period, owing to generally improved purchasing power, but chiefly to heavy shipments of machinery and supplies to the Netherland West Indies following the installation of petroleum refineries and transshipment facilities in that place. During the past four years, however, there has been a sharp falling off in our exports, traceable almost entirely to the reduced purchasing power of Cuba as a result of low sugar prices, and to protection afforded to certain local industries in Cuba by high tariffs.

There are no signs at present of any great change in this situation which might presage any more than a normal fluctuation in this trade.

Mexico.—The most important factor in our imports from Mexico is petroleum, which in the pre-war period accounted for only 6 per cent of the total imports as against 21 per cent at the present time. However, there has been a steady falling off in petroleum imports during the past four years, which accounts for the fact while our total imports of all products have decidedly dropped our imports on liner and tramp vessels have shown a marked increase. No prediction can be made regarding the future of petroleum imports owing to reasons already cited.

[2] No mail contracts have been awarded or advertised relating to tanker cargoes

Aside from petroleum it would seem that our imports from Mexico, particularly on the west coast, should continue to increase, provided there is continued political stability within the country and that labor laws and other legislation are such as to attract new capital to the country. The sisal and henequen trade accounts for over 10 per cent of our imports from Mexico, but has shown a steady decline in recent years. From present indications the use of binder twine in the United States can scarcely be expected to show any increases, while production in areas other than Yucatan may tend to reduce still further these imports from Mexico. Imports of copper and lead each account for about 10 per cent of our total from Mexico, the former having shown a decided drop as compared with the pre-war years and the latter an even more decided increase. The demand for these metals depends upon the industrial demand within the United States, but in the case of copper it is probable that other sources of supply, such as Chile and Africa, may prevent any large increase of exploitation in Mexico.

Coffee is the only other important item in our imports from Mexico, amounting to about 8 per cent in 1928. Shipments have greatly increased since the pre-war period, but it is chiefly a question of price and not of quantity.

Our exports to Mexico are decidedly above the pre-war figure, but have shown a constant decline since 1925, owing to political and economic conditions and decreasing purchasing power as well as to the slackening of petroleum production. The future of this trade depends almost entirely on the assurance of political stability and on conditions which will attract new capital for the development of that country.

Central America.—Our banana imports from Central America have been increasing steadily, rising from 36,000,000 bunches in 1927 to 43,000,000 bunches in 1928. Owing to the depletion of existing properties on the Caribbean coast, production on that coast may reach its maximum within the course of the next few years, particularly in view of new developments in Mexico and Brazil. However, new areas are being brought into production on the Pacific coast, and increased trade between these and the west coast ports of the United States may be expected. Coffee imports from Central America have shown a decided increase, rising from 45,000,000 pounds in 1927 to 61,000,000 pounds in 1928. Coffee consumption in the United States continues to increase with the population, but it is difficult to state whether Central America will obtain a proportionate share of that increase, owing to the high prices paid in Europe for Central American coffees. These two items account for the bulk of the increase shown in our imports from Central America during the past five years. Mahogany shipments have dropped decidedly, from 41,000,000 board feet in 1927 to 20,000,000 board feet in 1928.

On the export side our trade with Central America has shown a decided increase, both as compared with pre-war years and with the postwar readjustment period. This may be attributed to increasing prosperity in the Central American markets, but with the sharp break in the coffee market diminished shipments may be expected, particularly in view of increasing competition from European suppliers.

North coast, South America.—Our imports from this region have shown an astounding increase during the past five years, but practically all of this is attributable to petroleum developments in Colombia and Venezuela. Shipments of petroleum products from these countries increased from 19,000,000 barrels in 1927 to 34,000,000 barrels in 1928, petroleum accounting for 19 per cent of our imports from Colombia in 1928 and for 55 per cent of those from Venezuela.

Aside from petroleum, the most important product received from the north coast of South America is coffee, which accounts for 74 per cent of our imports from Colombia and 31 per cent of those from Venezuela. Shipments of this product rose from 300,000,000 pounds in 1927 to 317,000,000 pounds in 1928. Consumption in the United States is increasing steadily, and there has been a tendency to purchase increasing quantities of mild coffee from Colombia and Venezuela. Future trends in this industry, however, depend largely upon the Brazilian situation. Banana imports from Colombia remained stationary during the years 1927 and 1928 at 1,600,000 bunches, but apparently operations in that area are declining and new fields in other parts of the world are being opened up.

Our exports to the north coast of South America have increased steadily, owing in part to rising purchasing power and in part to the operations of the oil companies. Owing to the break in the coffee market it is probable that there will be a sharp decline in purchases from the United States in both Colombia and Venezuela, although shipments of construction machinery and supplies, both for public works and for the petroleum operations, are dependent upon so many factors, including the political, that prognostication is impossible.

East coast of South America.—Our imports from the east coast of South America, while showing an increase in dollar values, both as compared with the pre-war period and with the period of postwar readjustment, have remained practically stationary in "real" values or tonnage. One factor alone suffices to account for the rise of dollar values, and that is the increased price of coffee, which is by far the most important product received from that part of the world. Our imports of coffee from Brazil show a slight decline in recent years, dropping from 1,024,000,000 pounds in 1927 to 963,000,000 pounds in 1928. Coffee consumption in the United States has remained more or less stationary during the past five years, although the average during that period rose to 11.92 pounds per capita as against 10.08 pounds per capita in the nine years from 1914 to 1922. Coffee consumption, then, may be expected to increase with the growth of population, and possibly at a slightly higher rate, within certain reasonable limits. However, such factors as the huge carryover in Brazil, the abnormal crops in recent years, the success or failure of the valorization program, and the effect of the recent break in coffee prices upon this, may decidedly influence the trend of our purchases from Brazil and the other producing countries of the world.

Cacao imports dropped decidedly in 1928, and this was reflected in reduced shipments from Brazil which declined from 104,000,000 pounds in 1927 to 75,000,000 pounds in 1928. Africa has become more and more important as a supplier of this product to the United States, and it is not to be expected from present trends that Brazil can hope to do more than hold its own. On the other hand, the enormous increase in the use of cosmetics, cocoa, and chocolate in the United States may be expected to continue, and with it a constant

rise in our imports of cacao beans. Imports of rubber from Brazil have fallen off steadily owing to the substitution of plantation rubber produced in British and Dutch Malaya for the Brazilian forest product. In 1927 we purchased 38,000,000 pounds of crude rubber from Brazil as compared with 25,000,000 pounds in 1928. However, with the work being done in Brazil, it is impossible to predict the course of future production.

Our receipts of flaxseed from Argentina have increased enormously, although dropping from 19,000,000 bushels in 1927 to 15,000,000 bushels in 1928. Our requirements of this product may be expected to increase, but our future imports are largely a question of tariff policy and can not be prognosticated. Shipments of hides and skins from Argentina, Brazil, and Uruguay increased appreciably in 1928, when they amounted to 195,000,000 pounds as against 169,000,000 pounds in 1927.

Wool imports from Argentina and Uruguay dropped during the same period from 44,000,000 to 30,000,000 pounds. Shipments of quebracho extract from Argentina and Paraguay fell from 112,000-, 000 pounds in 1927 to 97,000,000 pounds in 1928, while quebracho wood shipments from Argentina rose from 61,000 to 76,000 tons in the same period.

The future course of this trade as a whole is beyond prediction. Such an event as the coal stoppage in England in 1926 altered the whole complexion of our export trade to Argentina and Brazil, while any material alteration in the world demand for iron and steel might bring into production the idle iron reserves of Brazil, which are estimated to be superior to the total iron reserves in the United States. Increased demands for manganese, or changing trends in the movement of Argentine, Uruguayan, and Brazilian beef as a result of spreading hoof-and-mouth disease, improved methods of refrigeration, and encroachments by Australian or other production might swing this entire trade into new directions, while wheat shipments may be affected by such unpredictable factors as Russia's rehabilitation or the world's food supplies and wants.

Our exports to the east coast of South America may be affected by all of the foregoing factors and many more, including intensive British competition, particularly in Argentina, growing investments by Americans in public utilities and other industries, and general purchasing power trends. On the whole, however, this trade may be expected to show a normal and satisfactory increase aside from the sharp decline in shipments to Brazil that may be anticipated as a result of the crash in the coffee market and a temporary recession in our exports to Argentina following a year of unusual expansion.

West coast of South America.—Our imports from the west coast of South America have shown an appreciable increase, both in tonnage and in dollar values, during the past five years, and since the pre-war period. By far the most important commodities in this trade are copper from Chile and Peru, nitrates from Chile, and petroleum from Peru and, in the past year, from Ecuador. Nitrate shipments increased from 736,000 tons in 1927 to 1,018,000 tons in 1928. It is impossible to foresee the future course of this trade owing to the initiation of synthetic nitrate operations in this country. What improvements in the synthetic production of nitrogen from the air or in the extraction of sodium nitrates from caliche tending to reduce

costs may be made, and what changes in tariff policy for the protection of home industry may be effected can not be predicted. Undoubtedly, the natural nitrates will be in demand as fertilizer for a considerable time. The sales price can, no doubt, be reduced both by economies in operation and by remission of export taxes in Chile, but it is impossible to predict how long or how successfully the natural nitrates can hope to compete with the synthetic in the United States.

Copper shipments increased from 105,000 short tons in 1927 to 165,000 tons in 1928. The future of this trade depends on the demands of the electrical and other industries in the United States, on the possibility of increased taxation in Chile, and on growing competition from African mines. Petroleum imports from the west coast have remained practically stationary, being 1,900,000 barrels in 1927 and 2,000,000 barrels in 1928. It is improbable that there will be any major increase in this trade in the near future, as there are other more accessible sources of supply for the United States.

Our exports to this region of the world depend upon the foregoing and upon other factors, but on the whole we may expect to see a decided increase during the next decade in view of improving purchasing power, new mineral developments in Ecuador, Peru, Bolivia, and Chile, and increasing American investments in that section of the world.

From the foregoing it will be seen that no accurate predictions as to the future volume of this trade can be made over such a long period as 5 or 10 years. On the import side, tariff changes in the United States might vitally affect our purchases of practically any one of the commodities referred to, while on the export side such a multiplicity of factors are involved that it would be tedious to enumerate them.

Explanation of tables.—The following tables show, both in actual values and in percentages, the growth of our Latin American trade in 1928, as compared with the pre-war period (1910–1914 average), and with the period following the postwar readjustment (1921–1925 average), by major trade areas. (There is some duplication in these figures, inasmuch as Colombia lies both within the north coast and the west coast areas.)

The first table shows the value of our trade in dollars, with increases and decreases computed on that basis. The second table is an attempt to compute the "real" values of our exports to Latin America by using the Department of Labor wholesale price indexes, 1926 being taken as a base. This gives a much truer picture of the actual volume of merchandise involved in this trade free from the confusing factor of fluctuations in the purchasing power of the dollar. It is a better basis than tonnage, inasmuch as our exports consist of an extremely varied range of products, chiefly manufactured, and it would be misleading to include these, from watches to steel rails, on a single-weight basis. The third table attempts to portray the increase or decrease in our imports from Latin America on the basis of "real" values, but in this case we have been forced to rely upon tonnage figures, inasmuch as no single index will cover the varied price fluctuations of the raw materials and foodstuffs which form the bulk of our importations from Latin America. Here, however, the tonnage-value discrepancy, although by no means negligible, is of far less importance than in the case of export trade. In order to form a truer picture of the trend of import trade, tanker tonnage has been segregated from the

total, and the percentage of change has been given both for total cargoes and for liner and tramp cargoes alone.

UNITED STATES TRADE WITH LATIN AMERICA, DOLLAR VALUES

Region	Average, 1910–1914	Average, 1921–1925	1928	Increase in 1928	
				Since 1910–1914	Since 1921–1925
West Indies:				*Per cent*	*Per cent*
Exports	$90,500,000	$239,500,000	$199,400,000	120	−17
Imports	140,800,000	330,400,000	290,700,000	107	−12
Mexico:					
Exports	53,100,000	146,300,000	115,700,000	118	−21
Imports	70,500,000	147,500,000	124,500,000	76	−16
Central America:					
Exports	37,600,000	58,700,000	82,100,000	118	40
Imports	17,400,000	36,400,000	45,400,000	160	25
North coast of South America:					
Exports	13,100,000	44,000,000	99,000,000	655	125
Imports	22,500,000	65,800,000	135,600,000	503	106
East coast of South America:					
Exports	84,700,000	193,500,000	306,400,000	262	58
Imports	148,300,000	251,400,000	332,500,000	124	32
West coast of South America:					
Exports	29,000,000	85,600,000	133,900,000	362	57
Imports	47,900,000	153,500,000	196,100,000	310	28

UNITED STATES EXPORTS TO LATIN AMERICA, REAL VALUES

[In "1926 dollars"]

Region	Average, 1910–1914	Average, 1921–1925	1928	Increase in 1928	
				Since 1910–1914	Since 1921–1925
				Per cent	*Per cent*
West Indies	$132,100,000	$241,200,000	$204,100,000	54	−15
Mexico	77,500,000	147,400,000	118,400,000	53	−20
Central America	54,900,000	59,100,000	84,000,000	53	42
North coast of South America	19,100,000	44,300,000	101,300,000	431	129
East coast of South America	123,700,000	194,900,000	313,600,000	154	61
West coast of South America	42,300,000	86,200,000	137,000,000	224	59

NOTE.—The wholesale price index has been used in estimating the volume of United States exports to Latin America rather than the export price index published by the Department of Commerce, in view of the fact that the export price index is largely accounted for by shipments of cotton, wheat, corn, and other bulk commodities which play very little part in Latin American trade. The wholesale price index, on the other hand, gives a much better indication of the prices of those products which make up our Latin American trade and this same index may be applied to United Kingdom and German exports without unduly exaggerating the margin of error. The 1910–1914 price index was 68.5, the 1921–1925 index was 90.3, and the 1928 index was 97.7, computed on a 1926 base of 100. It is believed that these "real" values are more significant than the tramp figures, in view of the enormous disparity in tonnage and value among the various classes of manufactured products which form the bulk of our Latin American export trade.

UNITED STATES IMPORTS FROM LATIN AMERICA, REAL VALUES

[In cargo tons of 2,240 pounds]

Region	All cargoes		Liner and tramp cargoes		Percentage of increase	
	1922–23, fiscal year	1928	1922–23, fiscal year	1928	All cargoes	Liner and tramp cargoes
West Indies	5,701,000	8,718,000	4,716,000	4,062,000	53	−14
Mexico	15,003,000	4,607,000	289,000	553,000	−69	91
Central America	1,029,000	1,429,000	932,000	1,419,000	39	52
North coast of South America	277,000	4,271,000	277,000	585,000	1,442	111
East coast of South America	1,684,000	1,684,000	1,684,000	1,672,000	----------	−1
West coast of South America	1,884,000	2,978,000	1,785,000	2,772,000	58	55

NOTE.—It is impossible to arrive at "real" values in imports from Latin America on a price index basis in view of the fact that such products as coffee, sugar, petroleum, bananas, minerals, etc., form such a large proportion of the total trade, and the price fluctuations in these commodities can not be measured in terms of available price indexes, nor would a single index figure suffice for the entire Latin American territory. Hence the tonnage figures prepared by the United States Shipping Board are accepted as the best guide to the actual volume of our import trade from Latin America. Comparative figures are shown first for all cargoes, and second for liners and tramp cargoes alone, excluding tankers, there being a decided difference in trend between the two sets of figures.

FAR EAST

While commercial intercourse between the United States and far eastern countries has increased in extraordinary measure in the last 15 years, it should be remembered that volume in that trade is confined to a comparatively few American specialties on the one hand, and even fewer commodities of tropical origin which the United States is unable to produce for itself on the other, and that the whole trade is still in the experimental stage. Moreover, it is to be remembered that this trade was given vast impetus by the occasion of the World War, and that such occasion is not likely to occur again soon and that its effects may wear off.

However, it should be noted that the value, in terms of dollars, of our exports to the Far East increased from around $165,000,000 in the 1910–1914 period to more than $600,000,000 in the 1921–1925 period, and to $821,000,000 in 1928, an increase of over 500 per cent in about 15 years on a flat dollar basis, and without regard to the different purchasing power of the dollar over the several years involved. During this same period our imports from the same far eastern groups increased from $262,000,000 in the 1910–1914 period to $975,000,000 in the 1921–1925 period, and to $1,180,000,000 in 1928, an increase of over 400 per cent. It will be noted in both import and export groups that the ratio of increase is much smaller in the years between 1923 and 1928 than in the years immediately following the World War, showing that the impetus brought about by the war is diminishing.

Our exports to the Far East increased by 10 per cent during 1928, while imports were 8 per cent less than in the previous year. It would be highly satisfactory if our exports to the Far East would increase by a yearly ratio of 10 per cent, or, say, double themselves in the next 10-year period. There may be justification, in view of the possibilities in China, to hope for an average annual increase of 5 per cent.

As to imports, our heavy imports are rubber, silk, tea, jute and jute products, hides and skins, and furs. Considering that the use in

this country of rubber in industry and silk and tea in living comforts have about reached the point at which consumption may be expected to increase mainly in ratio to increased population, import trade with the Far East is expected to increase regularly but slightly, say, at the rate of, over a period of time, not more than 2 or 3 per cent a year.

India.—Taking up the subject by principal countries (and eliminating the insignificant countries) it is found that the only noteworthy increases in our exports to British India in recent years are in typewriters, automotive products, and raw cotton. There is a curious rise and fall in both quantity and value of our exports in iron and steel products, some increase in leaf tobacco, and the others remain surprisingly level. Typewriters are an American specialty and our trade in them in India undoubtedly will continue to increase, but they do not greatly affect questions of freight space or transportation facilities. Our raw-cotton exports are larger when the Indian crop is poor in quality or American cotton is cheap in price. When opposite conditions obtain our cotton exports are almost nil. Indian cotton, however, is unsuitable by itself, for the manufacture of cloth; and accordingly a certain amount of American cotton always will be required to meet the needs of Indian mills. In the slow but steady development that seems only natural in India's economic position, it is felt that industry, especially along textile lines, is bound to increase, and that automatically this will mean a slow but steady increase in the use of American cotton.

Automobile exports to India have practically doubled themselves every year for the last three or four years. They probably will continue to increase for some time.

Our principal imports from India are jute products, carpet wools, shellac and other gums, and hides and skins. All of these have remained at approximately the same level for the past several years, and it is not expected that there will be any great increases. In short, it seems that there are no factors in sight to justify any expectancy of increase in our trade with India beyond the normal expectancy of 1 or 2 per cent annual average.

Malaya.—Our trade with Malaya, in volume, is represented almost wholly by the two import items, rubber and tin. Tin imports in quantity were only slightly larger in 1928 than for each of the three previous years. Rubber imports were 10,000,000 pounds less in 1928 than in 1927 and 15,000,000 pounds less than in 1926. Here again it is believed that the peak of our import trade with British Malaya has possibly been reached, as to volume or bulk at least. American export trade with British Malaya always has been insignificant, and while it is improving steadily, its volume is not likely for many years to affect the questions involved in this study.

Ceylon.—The general observations made with regard to British Malaya apply also to Ceylon.

Netherland East Indies.—Our exports to the Netherland East Indies were valued at but $3,000,000 in 1910–1914, and they were $35,000,000 in 1928. This is an increase of tenfold in the 15-year period, but the increase over the previous year (1927) was but 7 per cent, while the increase from 1926 to 1927 was about 9 per cent. Our export trade with the Netherland East Indies is a striking example of the impetus given by the World War. We have since that time shown, generally, appreciable increases annually in our sales of

canned foods and automotive and tobacco products. There are, moreover, indications of a possible increase in our shipments of voiles and some of the higher-count textiles, while manufactured goods, such as iron and steel products, maintain at least their level.

Imports from the Netherland East Indies, on the other hand, are more difficult to gage. We take a great variety, but rubber accounts for the bulk, and in the last three years it has declined heavily. Imports of coffee and pepper have increased considerably, both in quantity and value. A conservative statement would be that our import trade by volume is likely to maintain its present level; while our export trade may show an increase of from 3 to 5 per cent annually for perhaps the next 5 or 10 years.

Siam and Indo-China.—The trade of the United States with these two countries is inconsiderable, and of no importance in a survey of this sort. Exports to Siam, chiefly of kerosene and cigarettes, have increased over 200 per cent since 1923, on the basis of 1913 prices, but they are still under $3,000,000 per annum. In Indo-China it is felt that our trade is likely to become increasingly insignificant.

Philippine Islands.—Our exports to the Philippine Islands increased greatly in 1925, somewhat less in 1926 and 1927, and improved again by about 15 per cent in 1928. Imports in recent years have run from $100,000,000 to $115,000,000 per annum. Future political adjustments may tend to alter considerably the course of this trade; but it is probable that a regular 5 or 6 per cent annual average increase may be expected in our export trade and a very slightly increased annual import trade.

China.—It is not possible to generalize about China. Political factors in that country as well as competitive conditions between western industrial nations preclude the possibility of forecast. Our heaviest exports now are tobacco products, kerosene, wheat flour, and raw cotton. China is going to continue to need large quantities of these for a number of years. Our exports in 1928 exceeded those of the previous year by 52 per cent, owing largely to more stable political conditions and depleted stocks in the interior. On the other hand our imports, chiefly of silks, furs, wood oil, and carpet wools, decreased by 7 per cent, a result again mainly because of disrupted transportation facilities in China resulting from the chaotic administrative conditions.

One other possible factor may be of immense importance. If China is going to make any sort of economic progress, it must have more railways. Assuming that it once sets its political house in order, one of the first undertakings will be to build them. This will certainly mean a large demand for railway equipment and supplies from the United States—heavy freight. While this development may be hoped for, it may never eventuate.

Assuming, however, more normal political conditions in the future, it probably is not unreasonable to expect an annual increase of from 5 to 10 per cent in our total trade with China.

Japan.—American exports to Japan increased by 12 per cent in 1928, but for the 4-year period 1925–1928 the increase has averaged considerably less. Raw cotton is our main export, and with the continued increase in the cotton-spinning industry that seems essential to Japan's welfare it is probable that it will need larger

amounts of our raw cotton, while in lumber and manufactured products, in view of the present exploitation of Siberian and Manchurian forests and the encouragement given by the Government to home industries, it is probable that we will do well to hold our own in these lines. Imports, principally raw silk, which seems to have nearly approached its peak per capita consumption in the United States, should not materially increase. It is expected that our trade with Japan will remain about the present volume.

Australia.—Both exports to and imports from Australia declined in 1928, when we purchased smaller quantities of undressed furs and raw wool, and sold lesser quantities of automotive products and lumber. There is a tendency for American houses to establish branch factories in Australia, and there is a tendency among Australians to restrict their purchases from us so long as our purchases from them remain small. Nevertheless, American lines have been well introduced in Australia, the standard of living is high, and they are not adapted, because of labor and other economic factors, to greatly develop their own industries. It is expected that there will be a steady advance of, say, 2 or 3 per cent per annum in our export trade, with no appreciable increase in import volume.

New Zealand.—The same observations may be applicable to New Zealand. In this country there is less favorable reaction to American products than in Australia, but recent economic movements in New Zealand seem to give promise of greater stability and higher purchasing power.

Explanation of table.—Following is a table showing the average export and import trade between the United States and the far eastern countries for the years 1910–1914, 1921–1925, and 1928, together with the percentages of increase or decrease. The percentages have been reckoned on the dollar values for the years covered.

UNITED STATES TRADE WITH THE FAR EASTERN COUNTRIES

[In thousands of dollars]

Regions and countries	Average, 1910–1914	Average, 1921–1925	1928	Percentage of increase (+) or decrease (−)	
				1928 compared with 1910–1914	1928 compared with 1921–1925
EXPORTS					
India, Persian Gulf, and Red Sea:					
Aden	$1,345	$1,016	$516	−62	−50
India	30,457	38,188	53,694	+76	+41
Ceylon [1]	978	1,088	2,746	+18	+152
Other Asia	1,215	19	103	−91	+442
East Indies:					
Siam	1,157	1,200	2,638	+128	+120
British Malaya	7,435	7,832	11,816	+59	+50
Netherland East Indies	3,008	19,240	34,445	+1,012	+79
Indo-China	1,043	1,179	1,738	+66	+48

[1] During the period 1910–1914 trade with Ceylon was included in "Other British Indies." These figures have therefore been used, since transactions with the smaller islands were negligible.

UNITED STATES TRADE WITH THE FAR EASTERN COUNTRIES—Continued

[In thousands of dollars]

Regions and countries	Average, 1910–1914	Average, 1921–1925	1928	Percentage of increase (+) or decrease (−)	
				1928 compared with 1910–1914	1928 compared with 1921–1925
EXPORTS—continued					
Australasia:					
Australia	38,722	111,275	141,440	+218	+27
British Oceania	474	606	1,509	+290	+149
French Oceania	1,043	1,065	1,259	+21	+18
New Zealand	7,791	28,198	35,825	+360	+27
East Asia:					
China	21,578	104,175	137,661	+538	+32
Hong Kong	9,137	19,810	21,977	+140	+11
Kwantung	676	6,735	6,246	+824	−8
Japan	44,222	239,268	288,158	+551	+2
Philippine Islands	22,596	51,927	79,805	+251	+53
Soviet Russia (Russia in Asia)	1,734	480	1,587	−8	+230
IMPORTS					
India, Persian Gulf, and Red Sea:					
Aden	1,808	2,221	3,315	+85	+49
India	56,356	109,020	149,332	+165	+37
Ceylon [1]	9,966	27,041	32,437	+223	+20
Other Asia	68	94			
East Indies:					
Siam	110	301	527	+380	+70
British Malaya	24,625	153,189	239,164	+522	+56
Netherland East Indies	9,194	54,962	82,306	+871	+50
Indo-China	243	215	29	−88	−86
Australasia:					
Australia	12,312	37,534	31,913	+158	−18
British Oceania	118	804	2,027	+1,618	+152
French Oceania	1,048	1,489	1,728	+65	+16
New Zealand	3,758	13,821	20,863	+455	+51
East Asia:					
China	35,323	142,035	166,235	+370	+17
Hong Kong	3,054	15,937	11,667	+282	−27
Kwantung	98	2,729	4,827	+4,828	+76
Japan	84,905	335,332	431,873	+408	+28
Philippine Islands	19,430	80,128	125,756	+553	+57
Soviet Russia (Russia in Asia)	1,734	480	76	−95	−84

[1] During the period 1910–1914 trade with Ceylon was included in "Other British Indies." These figures have therefore been used, since transactions with the smaller islands were negligible.

OCEAN-BORNE MAIL OF THE UNITED STATES

The amount of ocean mail out of our respective coastal districts bears close relationship, in most instances, to the amount of ocean trade out of those districts. There are exceptions, however, notably in the case of our South Atlantic and Gulf districts. The number of mail ships that serve these districts is limited, and consequently mail is dispatched via other districts that afford more expeditious delivery. An analysis of the outward mail carried over the routes dealt with in the bar charts is given in the following table.

OCEAN-BORNE MAIL OF THE UNITED STATES, FISCAL YEAR 1929

Route number, United States district, and foreign region	United States mails		Foreign closed transit mails		Total United States and foreign mails		Percentage	
	Letters and post cards	Other articles	Letters and post cards	Other articles	Letters and post cards	Other articles	Letters and post cards	Other articles
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*		
4. North Atlantic: United Kingdom	2,112,298	15,015,799	190,970	620,363	2,303,268	15,636,162	34.5	20.4
2. North Atlantic: Havre-Hamburg	1,510,153	12,924,125	141,775	561,545	1,651,928	13,485,670	24.7	17.6
1. North Atlantic:								
Central America	139,671	2,721,508	39,263	808,145	178,934	3,529,653	2.7	4.6
North coast South America	112,976	1,919,043	27,237	622,309	140,213	2,541,352	2.1	3.3
West Indies	405,717	5,492,671	27,653	553,859	433,370	6,046,530	6.5	7.9
Total	658,364	10,133,222	94,153	1,984,313	752,517	12,117,535	11.3	15.8
3. Pacific coast:								
East Asia, India, China-Japan-Philippines	27,568	807,542	944	2,805	28,512	810,347	0.4	1.1
East Indies	509,649	8,524,797	88,584	617,269	598,233	9,142,066	8.9	11.9
	17,151	384,521	163	1,385	17,314	385,906	0.3	0.5
Total	544,368	9,716,860	89,691	621,459	644,059	10,338,319	9.6	13.5
18. Pacific coast: Australasia	241,292	4,420,621	106,928	872,500	348,220	5,293,121	5.2	6.9
12. North Atlantic: North Atlantic-Baltic Europe	56,559	4,610,282	237	1,250	56,796	4,611,532	0.9	6.0
7. Gulf:								
West Indies	85,897	1,618,177	6,709	193,139	92,606	1,811,316	1.4	2.4
Central America	62,851	1,264,318	4,780	146,528	67,631	1,410,846	1.0	1.8
North coast South America	37,635	693,412	3,969	113,684	41,604	807,096	0.6	1.0
Total	186,383	3,575,907	15,458	453,351	201,841	4,029,258	3.0	5.2
10. North Atlantic: West coast South America	171,864	2,506,031	66,269	1,223,108	238,133	3,729,139	3.6	4.9
8. North Atlantic: East coast South America	286,961	3,093,863	15,918	165,536	302,879	3,259,399	4.5	4.2
6. North Atlantic:								
South Atlantic Europe	136	39,481		91	136	39,572		
West Mediterranean	111,052	2,001,034	5,517	49,961	116,569	2,050,995	1.7	2.7
East Mediterranean-Black Sea	16,874	600,927	162	1,761	17,036	602,688	0.3	0.8
Total	128,062	2,641,442	5,679	51,813	133,741	2,693,255	2.0	3.5
21. North Atlantic: South and East Africa	401	690,756			401	690,756		0.9
27. Gulf: Mexico	6,439	118,147	768	8,471	7,207	126,618	0.1	0.2
25. North Atlantic: Mexico	5,096	112,957	1,216	11,789	6,312	124,746	0.1	0.2
24. North Atlantic: West Africa	6,651	111,833	1,334	4,138	7,985	115,971	0.1	0.1
28. South Atlantic: West Indies	4,311	68,217	1,447	15,778	5,758	83,995	0.1	0.1
26. Gulf: West coast South America	2,693	52,866	36	16,121	2,729	68,987	0.1	0.1
22. Pacific:								
Mexico	264	1,717			264	1,717		
Central America	2,255	28,196			2,255	28,196		
Total	2,519	29,913			2,519	29,913		
16. South Atlantic:								
United Kingdom	11	520			11	520		
Havre-Hamburg	10	520			10	520		
Total	21	1,040			21	1,040		

OCEAN-BORNE MAIL OF THE UNITED STATES, FISCAL YEAR 1929—Contd.

Route number, United States district, and foreign region	United States mails		Foreign closed transit mails		Total United States and foreign mails		Percentage	
	Letters and post cards	Other articles	Letters and post cards	Other articles	Letters and post cards	Other articles	Letters and post cards	Other articles
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*		
29. Pacific: East coast South America	12	249			12	249		
20. North Atlantic: Australasia	235				235			
11. North Atlantic: East Indies	75				75			
22. North Atlantic: Nova Scotia-Newfoundland	21,430	336,972		15	21,430	336,987	0.3	0.4
Grand total	5,956,187	70,161,102	731,879	6,611,549	6,688,066	76,772,651	100.0	100.0
Routes 4, 2, and 12 combined	3,679,010	32,550,206	332,982	1,183,158	4,011,992	33,733,364	60.0	43.9

CONCLUSION

Practically all the trade routes noted in this study may be termed essential trade routes in our ocean-borne commerce. Some may be grouped and combined to form a route.

With this fundamental information available, it can be seen that our Government has determined a rather sound basis of consideration for ocean transportation services.

In addition to compiling the foregoing data, the Government has studied facts regarding American and foreign shipbuilding costs (and differentials); also the subventions granted by foreign governments to their shipping in each region and to each service. A handbook, analyzing this latter subject in detail, will be published in the near future.

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